WILLIAMSBURG CITY COUNCIL
WORK SESSION
DECEMBER 5, 2005

The Williamsburg City Council held a work session on Monday, December 5, 2005, at 2:00 p.m., in the City Council Chamber of the Stryker Building.

ATTENDANCE
Present were Ms. Zeidler, Messrs. Haulman, Scruggs, Chohany, and Freiling. Also present were City Manager Tuttle, City Attorney Phillips, and City Clerk Crist.

Staff Attending: Assistant City Manager Miller, Economic Development Manager DeWitt, and Department Heads: Nester, Serra, Deputy Chief Sloggie.

CALL TO ORDER
Mayor Zeidler called the meeting to order.

OPEN FORUM
Mayor Zeidler asked for public comment.

No one wished to speak. The session was closed.

BACKGROUND PRESENTATIONS/DISCUSSIONS
Presentation of the Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2005
Reference for this item was Mr. Serra's report dated November 29, 2005, which included a copy of the 2005 Annual Financial Report and the Management Letter. Mayor Zeidler, as chair of the city's Finance and Audit Committee (Mr. Channing Hall, Ms. Gwen Williams, Mayor Zeidler, Mr. Tuttle, and Mr. Serra) said that the committee met with Mr. Denver Hicks Jr. of Witt Mares, PLC, on November 29 to review the audit report. The committee agreed to recommend that the report be accepted by City Council. Mayor Zeidler introduced Mr. Denver Hicks.

Mr. Hicks said that he was pleased to render a "clean opinion," and referenced page 1 of the Comprehensive Annual Financial Report (CAFR). He said the Management Letter presented by the auditor included an outline of the auditor's responsibilities and that management and the auditors were in agreement.

Mr. Serra reviewed the city's response to the Management Letter as outlined in his November 29 report (attached). He addressed the recommendations regarding payroll function, accounts payable/expenditures of goods and services, user applications access, and grant revenues. Using a Powerpoint presentation, he reviewed the information provided in the CAFR regarding General Fund Revenues, Expenditures, Utility Fund, Capital Projects, General Fund Cash and Investments, Assets and Liabilities.

Council members appreciated Mr. Serra's comprehensive report. Mr. Hicks said that the city has conformed to GASB 34 to operate more commercial-like. Mr. Serra explained the city's accounts payable procedures and the changes that will be made in the process to insure better controls.

Mr. Scruggs was impressed with the report and noted the excellent and consistent job that the City Manager and staff do to project conservative revenues and expenditures.

Mr. Hicks responded to Mr. Freiling that his firm was satisfied with the city's response to the Management Letter, realizing that the city responds within the restraints that it has because of its small size. The auditing practice is to follow up on these same items next year. He noted it would be cost prohibitive to implement perfect controls.

Mayor Zeidler thanked the citizen members of the Finance and Audit Committee for their service to the city. The committee has suggested that it receive mid-year financial reports and has been producing more detailed meeting minutes.

Mr. Chohany Moved That City Council Accept the Comprehensive Annual Financial Report as Submitted. The Motion Was Seconded by Mr. Haulman.

Recorded Vote on the Motion:
Aye: Freiling, Scruggs, Zeidler, Haulman, Chohany
No: None

Mr. Tuttle said the report would be available to the public in the City Manager's Office and in the Finance Department.

Go Williamsburg Campaign Update—Assistant City Manager Jodi Miller
Mayor Zeidler said that the "Go Williamsburg" campaign is funded by the $2.00 surcharge on room rentals in the city, and York and James City Counties.

Ms. Miller, the city's representative on the Marketing Resource Task Force, a subcommittee of the Williamsburg Area Destination Marketing Committee, provided a Powerpoint presentation to update Council members about the Campaign developed by the Task Force. The Marketing Campaign was created to address the decline in hotel room sales and revenues in the Historic Triangle between 2000 and 2004. She reviewed the goals of the campaign, the integrated marketing plan that was developed, and the 2005 campaign resources which included the revenues from the $2.00 surcharge. Ms. Miller reported hotel room nights sold in the Historic Triangle, room sales and tax revenue, and meal sales and tax revenue. She reviewed the statistics for the city and noted that much of the decline in revenue was attributable to the renovation at the Williamsburg Lodge. Ms. Miller concluded by reviewing the plans for the 2006 campaign which included expanding the market, television ads, and internet access. (See slides attached).

Mayor Zeidler thanked Ms. Miller for the report and encouraging results. She noted Council's support of the marketing campaign and acknowledged the work of the Task Force.

Council members and Ms. Miller discussed how the Task Force plans to better measure the results of marketing efforts. Ms. Miller said that an evaluation component is part of the marketing strategy. During the second year, it will use the first year as a benchmark and look for the best destination campaign with available resources.

Mr. Scruggs was impressed with the program and reminded citizens that a vibrant hotel/restaurant industry helps to fund the city budget and maintain a low tax rate. It is important that the industry stay healthy, and he was impressed with the investment Colonial Williamsburg is making for the future.

Williamsburg Area Chamber of Commerce and Convention and Visitors Bureau Reorganization Update—Chamber President Dick Schreiber

Mayor Zeidler welcomed Mr. Schreiber, the new President of the Chamber and Chair of the Marketing Task Force.

Mr. Schreiber said that one year ago, Council heard about the plan to reorganize the Chamber of Commerce and Convention and Visitors Bureau. The number one priority for every activity of the Chamber and CVB deal with should be only the things that businesses cannot deal with, such as marketing. He was pleased with the cooperative effort that is taking place to reverse the downward trend in visitation to our area. He was pleased to be the chair of the Marketing Task Force and work with this group of dedicated people. Mr. Schreiber reported he has begun dialog with the attractions in our area to access information about their marketing efforts and results. It is fundamental to the marketing program to increase the funding each year, especially growing toward 2007, and for 2008 and beyond. Investment is needed from all of the entities that stand to gain from these marketing efforts.

The Chamber will continue to help Colonial Williamsburg make the Visitor Center a successful location for 2007 arrivals. The 2007 Host Committee has been apprised that the Chamber is working to evaluate the extent of the work force shortage problem and develop strategies to assist with the problem.

Mayor Zeidler thanked Mr. Schreiber. She appreciated Mr. Schriber's efforts to study ways the Chamber can be most affective in the community and not duplicate efforts. She thanked Chairman Marshall Warner and thanked the Board for their efforts on the reorganization.

Council members appreciated Mr. Schreiber's presentation and were pleased to hear about the initiative to assist with workforce development. Mr. Scruggs was anxious to see the level of support from York County and James City County, and hoped that they will support an increased participation in the tourism program.

Mr. Freiling was pleased that Mr. Schreiber was willing to build bridges across institutional and jurisdictional barriers and is willing to take the lead role in marketing the Historic Triangle as a tourist destination. He hoped that the Chamber will work to obtain funding from the State of Virginia, and emphasize to the State the benefit to all Virginians. Mr. Schreiber hoped to be able to report a positive result from recent conversations with the Virginia Tourism Corporation. The Chamber will work on behalf of the VTC to obtain additional revenues. Mr. Freiling offered Council's assistance. Mr. Freiling thanked Mr. Scruggs for his efforts with Workforce Development.

Mr. Schreiber said that he was delighted to have Mr. Hershberger as a partner, and noted that Mr. Hershberger is the institutional memory of their organization.

Mayor Zeidler asked Mr. Tuttle to schedule presentations from "Prepare, Care, and Share," Wayfinding, Community Activities Task Force, and Beautification Task Force, to update Council and the community about 2007 activities.

Preview of December 8, 2005 Council Meeting
Mr. Phillips asked that the Royals property second contract amendment be removed and rescheduled for the January meeting. Staff has not had sufficient time to comment. Council members did not request additional agenda information.

City Council Communications
Peninsula Mayors and Chairs--Homeless Committee Report: Mr. Tuttle will distribute the interim report to Council.

Schedule of Meetings: December 2005
Council members received a copy of the meeting calendar for November.

OPEN FORUM
Mayor Zeidler asked for public comment.
No one wished to speak. The session was closed.

CLOSED SESSION
Mr. Haulman Moved that City Council go into Closed Session pursuant to Section 2.2-3711 of the Code of Virginia for the purpose of discussing one Personnel matter per subparagraph one concerning appointments to Boards and Commissions, two Property Matters per Subparagraph 3, regarding acquisition of property for water shed protection of which discussion in an open meeting would adversely affect bargaining or negotiation strategy of public body, and two legal matter per Subparagraph 7 for the purpose of consultation on specific legal matters requiring the provision of legal advice by counsel, concerning sale of surplus property. The Motion Was Seconded by Mr. Freiling.

Recorded Vote on the Motion:
Aye: Freiling, Scruggs, Zeidler, Haulman, Chohany
No: None

The meeting adjourned at 3:17 p.m. The Mayor called a five-minute recess.

At 4:37 p.m., Council met in Open Session.

Mr. Haulman Moved the Certification of Closed Meeting. The Motion was Seconded by Mr. Chohany.

Recorded Vote on the Motion:
Aye: Freiling, Scruggs, Zeidler, Haulman, Chohany
No: None

CERTIFICATION OF CLOSED MEETING
Date: December 5, 2005

Motion: Mr. Haulman; Second: Mr. Freiling

WHEREAS, the City Council of the City of Williamsburg has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the City Council that such meeting was conducted in conformity with Virginia Law.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Williamsburg hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the City of Williamsburg.

VOTE:
Aye: Freiling, Scruggs, Zeidler, Haulman, Chohany
No: None

Absent During Vote: None
Absent During Meeting: None

The meeting adjourned at 4:38 p.m.

Approved : January 12, 2006

Jeanne Zeidler, Mayor

Shelia Y. Crist
Clerk of Council